

## OUR BUSINESS MODEL AND STRATEGY

### OUR BUSINESS MODEL



### HOW WE CREATE VALUE

#### SPIRENT CREATES VALUE THROUGH: THE MARKETS WE TARGET

We target large, fast growing, complex markets, driven by a major disruption or challenge.

We serve customers who develop products and services and who operate and manage networks.

#### CONTINUING DEMAND FOR OUR PRODUCTS AND SOLUTIONS

We operate in a fast moving, technologically demanding environment in which everyone and everything is connected. Faster data speeds, complexity, security and innovation drives the demand for our products and solutions.

#### COMPETITIVE ADVANTAGE

Our competitive differentiation comes from the test methodologies we develop and our active test, automation and analytics expertise and technologies.

We aim to be first-to-market. We register intellectual property to create high barriers to entry for competitors and maintain our high-margin and high-value position in the market.

#### OUR CUSTOMERS' VALUE PROPOSITION

Our products and services:

- reduce the time to get products and systems to market;
- ensure the quality of customers' products and networks;
- protect customers' brand reputation; and
- increase the efficiency of their operations through automation and analytics to optimise their activities and investments.

#### VALUE CREATION CULTURE FOR OUR STAKEHOLDERS AND SHAREHOLDERS

We have a culture that focuses on creating value for our stakeholders and shareholders. Further information on stakeholder value can be found on page 65. We attract and retain talented people and offer career development. We have a non-discriminatory workplace and fair and competitive remuneration.

Our dividend policy is to maintain a sustainable dividend for shareholders as we consider the dividend to be a core component of shareholder return and one on which shareholders can depend.

### STRATEGY

#### OUR VISION

Spirent's vision is to be our customers' trusted adviser, partnering with them to enable and assure their product and service offerings, and secure their ongoing business success.

#### OUR STRATEGY

We work closely with customers to understand their plans and challenges, and develop first-to-market products and services to fulfil their requirements and exceed their expectations.

#### OUR SIX STRATEGIC PRIORITIES:

1. Work closely with our customers
2. Establish and maintain technology leadership
3. Grow our business in target markets
4. Acquire new capabilities and technologies
5. Invest in our people
6. Maintain financial strength and flexibility

#### HOW OUR STRATEGY AND BUSINESS MODEL WORK TOGETHER

Our business model embodies our critical success factors of working closely with customers and designing innovative first-to-market products and services and selling through our specialised sales force.

[+ Read more on pages 20 and 21](#)